Copies from

1954-55

File No. H3L 1954-II

B.Class K. H&BC

DEPARTMENT 925

Karnatak B Class

BRANCH Rev (CT) dt 25/2/57

Karnatak

Subject:— Subsidy to the Bombay Housing Board

MYSORE GOVERNMENT SECRETARIAT
NO. 910
26 FEB 1957
LABOUR BRANCH

For perusal in the first instance

Rev 25/2/57

B.Class

Karnatak

Rev.(CT)

To Supdt LS.G

25/2/57

8

Susc 15/5

File No. H3L 1954-II

B Class Karnatak.

Sta. Sects. Slip 24-A

Sri K.R

As no action is called for this will be filed and kept for reference in the Branch

for 30/4/57

B

30/4/57

30/4/57

55 W

HBL 1154/173647

P. W.D.
'H'

Submitted with reference to this Deptt, U.O.R. dated th e 20.12.54.

2. The papers relate to the pro-posal reg. grant of subsidy to the Bombay Housing Board. It may be stated at the out set that Govt. has decide to grant subsidy to the Board to cover loss due to difference between economic rent and lower rent charged to the Industrial Workers and the tenan ts o f the C.S.S. B andra and the Sion. Dharvi colonies Bombay vide G.R. No. HBL 1954, dt. 18th March 1954 The Board was requested to work out the amount of subsidy claimable for the period from the 1-6-49 to the 31-3-54. The amoun t claimed by Board is as follows :-

Rs.	1,40,746	1949-50
"	2,15,297	1950-51
"	2,79,428	1951-52
"	2,70,577	1952-53
"	2,91,862	1953-5 4.
	11,90,910	

So far the amount of Rs. 4,02,566 has been paid to the Bd. (Rs. 1,89,366 under G.R. No. P. 22 Dt. 25th Feb. 1953: and Rs: 2,13,200/- un der G.R. No. HBL 1152, dt. 31-3-54) The amount of Rs. 7,88,344 (Rs.11,90,910-Rs. 40, 2566) is still required to be paid to the Board for the period ending 31st March 1954. This Deptt. has proposed that the amoun-t in question may be paid to the Board In this connection the Examiner, O.A. D. has suggested that

1) Subsi dy should be calculat-d from the date of occupation of each tenement.

2) Su bsidy should be fo-r periods of o-ecupation only and n ot for vacancy periods and

3) Subsidy shouldnot be claimed for the perio-d when economic rents have been charged by the Board for unauthorised occupation.

The suggestions except 3 were not accepted by this Deptt. vide O.M. at pages 35-37 ante. Subsequently the F.D. also raised objection to the effect that subsidy need not be granted to the Board fo r the tenements which were sold to the H. D. The Board has asked for the subsidy amounting to Rs. 8675 for 224 tenements at Sholapur. The amount of Rs. 8675 was deducted and the F.D. was requested to agree to the grant of Rs. 7,79,669 as subsidy to the Board. Th at Deptt. has now suggested the amount of subsidy may be recalculated after excluding followinge. :

a) no subsidy should be given when economic rents are charged.

b) no subsidy should be paid for the period when th e tenemen ts were vacan t prior to their initial allotment.

In this conn ection i t may be stated that question of giving subsidy to the Board is pending for a considerable time. In fact, the Board is pressing for it and has repeatedly reported to Govt that it would not be possible to pay the interest charges on loan unl-ess th e su-bsi dy

is paid to Board . Similarly the F.D. has frequently requested this Deptt. to ensure that the Board pays the interest charges regularly. As regards interest charges the po-siti-on is as follo ws :-

Govt.'s claim Rs.		Amount paid by the Board Rs.		
28,71,685	Reported by A.G. as on 31-3-53.	2,02,385	on 27-5-53.	
		6,86,043	" 10-3-54	
		2,13,200	" 31-3-54	
-s 10,85,339	Reported by the Board for 53-54.	9,61,540	16-12-54	
39,57,024		20,63,168		
		7,36,000	Advance repayable adjusted against subsidy.	
		2,16,000		
		30,15,168		

It wil l be seen from above t hat th e amount of Rs. 9,41,856 is due from the Board against its claim of Rs. 7,88,344 fo r subsidy, The poin ts raised by F.D. and Examiner O. A.D. regarding grant of subsidy wi will have to be examined in great details and it is l ik ely to tak e considerable time. It is t ereofre suggested that the subsidy amounting to Rs. 5,00,000 on ad h oc basis may be given to Board in consultation with F.D. The difference as a result of the examination of the points will be adjusted against the future grant of subsidy to the Board.

I.D.
14/1/55

I .D.
17/1/55

U.O.R. to the F.D. dt. the 18-1-55.

.D.
6/6.

P.T.O.

Thi s file is required by the Public Works Deptt. immediately under P.W.D. note of 14-1-54 on No. HBL'1954, 173647-H, or may b e returned to that Department, as desired without offering any comments on this proposal made therein.

I .D.
24.1.55

I.D.
24.1.55

M. Br Public ~~Works~~ Works Department.

This file was brought from the D.~~P~~.~~W~~.~~D~~ putting up a supply deman d under th head 57 Miscell. in con. with the payment ~~of~~ ~~Mimcof~~ subsi-dy to the Bombay Housing Board. Necessary supply demand has been framed and forwarded to the F.D. separately under G.L. No. P-122 X of the 25-1-55. This file may t erefore now be referred U.O. to the F.D. with the request to offer its remarks on this Department note at pos. 55-57 ante.

Through H. Br.

I .D. 6/1/55 I.D. 29/1/53

U.O .R. to the Finance Department dt. 2-2-55

Please issue U.O. R. to the Finance Department.

59/IV

No. HBL 1954/68770-H F.D. thro X

This file is again required by the Public Works Department in connection with the supply demands. It may be returned to that Department without offering any remarks on this proposal.

I.D.
21-2-55

This should have been noted in the F.D. before

I.D. 21-2-55

H.Br. D. D. (B.C. Rehab. and Hous

This file may be now sent u.o. to the F.D. for necessary further actions in the matter.

I.D.
3/3/55

I.D. 3/3/55.

Finance Department (XX)

Submitted with reference to this office note dated 24-12-53 ante. Please see the P.W.D. note dt. 14.1.55 . That Department has now proposed that a subsidy amounting to Rs. 5,00,000 may be given to the Board on ad-hoc basis pending settlement of the points raised by the Examiner O.A.G. and the F.D. The intenation is to adjust the difference later against the future grant of subsidy to the Board. This course of action does not seem desirable as it is irregular and is also not quite justified in the present case. The Board has waited for the subsidy so long and there is no pausible reason why we should resort to irregular procedure at this advanced stage. when it can as well be avoidéd. As far as F.D. can see, it is will not take much time for P.W.D. to recalculate the subsidy amount as advised at 'A' on p.52 ante and get the same certified by the Examiner o.a.d F.D. may not therefore accept the P.W.d. suggestion at ' X' on p.57 ante.

P.T.O.

P. W.D. has pointed out that the amount due to the Govt. from the Board on account of in-terest charges is Rs. 9,41,856, as against its claim of Rs. 7,88,344 for subsidy. P.W.D. may be requested to consider whether it is possible to adjust the above amount of subsidy against the arrears of interest charges due from the Board.

I. D.
26/3/55.

It does not seem desirable to sancti on an amount of Rs. 5 lakhs to the Bombay Housing Board as an adhoc grant of subs pending calculation of the correct amo unt of subsidy pending cal culation paid to that body. That P.W.D. may be requested to work ou the actual amount of subsidy as advised in F.D. note dated 24.1.54 on pages 52-53 ante.

11.4.55.

HBL. 1954/33085

11/IV

R.H. & B.C. Deptt.
'F' Br.

Resubmitted.

2. Under this Deptt. letter dated 30-5-55 the B.H.Board has been requested to re-claculate the amount of subsidy claimable by it due to the difference between economic rents and the lowered rents charged to the tenants of Sion Dharavi and C.S.S. Bandra Colonies for the period ending 31-3-54. The Board's claim for the subsidy is to be checked by the R.A.O. before it is passed to Govt. The R.A.O. requires Govt's instructions whether subsidy for the periods of vacancies should be allowed. Please see Gov letter dated 25-8-55. The file on which decision has already been taken that subsidy for vacancy periods should be granted is still under u.o.r. to the F.D. and is not yet received inspite of D.O. reminder. However since the F.D. is also agreeable on this file to the granting of the subsidy for vacancy periods we may instead of waiting for the return of the main file inform the B,H.B. and the R.A.O. that subsidy for vacancy period should also be calculated. If approved orders will be issued after u. o.r. to the F.D. This will enable the Board to forward the budget estimates for subsidy in time.

I. D.
6/9/55

I.D.
9/9/55

U.O.R. to the F.D. dt. 10/9/55.

P.T

In the foregoing proceedings F.M. has not objected to the claim of the B. H.B. for subsidy for vacant periods of tenemnts. Please see in this connection Under Secretary's note dt. 16-9-54 (P. 40 ante) the Dy. Secretary's Seq. & notes Dt. 20-9-54 (P-41 ante.) . The decision already taken to which the U.S. refers in his note of 16-9-54 appears to have been taken on the pps. mentioned by R.H. & B.C.D. at 'X' overleaf. These pps. are being search in RB. XX.

It is evident from the pro ceedings that the R.A.O. has been asked to accalculate the Housings Boards clai m for subsidy for period of vacancies occuring after allotm ent is taken into aeco nt in the claim. The R.H. & C.D. may show the pps. afterwards which contai n a decision referred to above. If necessary the R.A.O. may be asked to calculate amount on account of this subsidy seperately.

(There appn objection subsidy.

Action at at 'A' on pre-page may be taken.

I.D.
3/10/55.

O.M. to R.H. & C.D. dt. 3-10-55.

X.D.
26/6.

Bombay Housing Board :
Gran t of Subsidies to th

GOVERNMENT OF BOMBAY.
Public Works Department.
Resolution No. HBL 1954.
18th March 1954. Bombay Castle (Bombay No 1)

Read Government Resolution, Public Works Department No. 383/48, dated the 13th January 1953.

RESOLUTION : Government is pleased to direct that the Bombay Housing Board should be granted an annual subsidy to cover the loss due to the difference between economic rents and the lower rents charged in accordance with Government orders for the following tenements :-

1) Tenements allotted to industrial workers at subsidised rents (excluding tenements under the new Subsidised Industrial Housing Scheme regarding which orders will be issued separately later on).

2) Tenements at C.S.S. Bandra, Bombay.

3) Tenements at Sion. Dharavi, Bombay.

2. The amount of subsidy claimable for the period from 1st June 1949 to 31st March 1954, according to the orders contained in paragraph 1 above should be worked out by the Board after deducting the amounts already paid or paid hereafter and reported to Government with the necessary details.

3. Government is also pleased to accept the Bombay Housing Board's claim for subsidy to cover the expenditure of Rs. 2,78,220/- incurred upto 31st May 1949 (inclusive) on account of Repairs charges, which was included in the amount declared as loan to the Board under section 54 (2) of the Bombay Housing Board Act, 1948. The amount of loan declared under Government Resolution, Public Works Department ~~dated~~ No. 383/48, dated 13th January 1955 is hereby reduced by Rs. 2, 78,220 /- with retrospective effect from 1st June 1949.

4. The claim of the Bombay Housing Board for subsidy to cover interest on Establishment charges included in the amount declared as loan under section 54 (2) of the Bombay Housing Board Act, 1948, cannot be accepted .

5. The remaining claims for subsidy to (a) cover interest on cost of land not built upon and (b) to cover loss due to time lag between drawal of loans and accnual of rents will be considered in due course.

By order and in the name of the Governor of Bombay,

A.J.Telang.
Deputy Secretary to Government.

P.T.O.

To

The Chairman, Bombay Housing Board, Bombay.

The Secretary, Bombay Housing Board, Bombay.

The Accountant General, Bombay (through the Finance Department),

The Residential Audit Officer, Bombay Housing Board, Bombay.

The Finance Department.

Class 'C'

No. of 1954.

Copy forwarded for information and guidance to

No. Subsidy/CAO/ 1112 of 1955.
Office of the Bombay Housing Board,
Esplanade Maidan, Cruickshand Road,
BOMBAY 1, Dated 1st August 1955.

The Joint Secretary to the Government of Bombay,
Rehabilitation, Housing and Backward Classes Department,
BOMBAY.

Subject : Grant of subsidy to the Bombay Housing Board.

Sir,

With reference to Govt. letter No. HBL 1954/2055-H dated 30th May 1955 on th above subject I have to state that the subsidy claims of the Board for the period from 1.6.49 to 31-3-54 in respect of the difference between the economic rent and lowere rents charged to the Industrial Workers and to the tenants at Sion Dharavi and C.S.S. Bandra have been claculated afresh in the light of Government orders contained in the above reference and are now forwarded to the Resident Audit officer, Bombay Housing Board for requisite scrutiny and certification. urther communication will be senton receipt of Resident Audit Officers certificates regarding the correctness of the Board's laims.

2/- The subsidy claims for each year have been revised by deducting the assessment actually made from the economic rent recoverable for the year from the date of the first allotment. Th s method of calculation strictly conforms to the orders of the Government whereby no subsidy is claimed for periods when Economic Rents are charged similarly no subsidy is claimed for the period when the tenements were vacant prior to their inital allotment.

3/- The claims are reworked for 1954-55 on similar lines and submitted to the Resident Audit officer for scrutiny.

4/- Regarding para 3 of the Government letter under reply, I have to state that the Board has no objection to adjust the amount of subsidy claimed by it against the interest charges due from itl\ In fact, the Board has all along been pressing for this procedure vide para 6 of this office letter No. Accts/Loan/I-/412-BHB dated 30-3-54.

5/- This has also reference to the Joint Secretary, Rehabilitation, Housing and Backward Classes Department, Bombay's D.O. letter No. HBL /1954/2055-H dated 21.7.55.

Yours faithfully,

Secretary,

Bombay Housing Board, Bombay

Copy forwarded with compliments to the Resident Audit Officer, Bombay Housing Board with reference to the Government letter dated 30.5.55 under reply.

2/- A statement showing the detailed calculations of subsidy claims for the period from 1.6.49 to 31.3.54 to cover the difference between the economic rent and the lowererents charged to the Board's tenements at Sion Dharavi and C.S.S. Bandra except those at Sholapur F P.9 is forwarded herewith for favour of early scrutiny and certification as required by Government. The claims for the tenements at Sholapur are being worked out and will be submitted for audit shortly.

Contd.....

3/- The claim for the year 1954-55 is also similarly reworked in the statement and may be substituted for the figures already submitted to Government under this office No. Subsidy/ CAO/ 421 dated 8.3.55 and copy to him.

4/- Economic Rents as per sanctioned rent statements have been calculated from the dates of the initial occupation of the tenements and shown in columns (3) and (8) of the statement. The assessments as per the Rent Rolls are shown in columns (6) and (11). Since the assessment figures include service charges the latter are calculated separately at the approximate rated from the date of the initial allotment and shown in columns (4) and (9). The difference between the total of economic rents and service charges so charged and the actual assessment is claimed as subsidy vide column (7) and (12).

5/- It may be pointed out that the subsidy calculated as above confirms to orders of Government contained in Government letter No. HBL 1954/20552-H, dated 30/5/55 whereby there is no claimmade for periods when economic rents are charged or for periods of vacancy prior to the initial allotments.

6/- The claims reworked and submitted may kinly be verified and certified at a very early date, so that Government may be enabled to sanction payment of the same to the Board without delay.

Encl : Statement.

From

R.A.O. B.H. Board, Bombay.

To

The Asstt. Secretary to Gov
Backward Classes, Rehabilit
tion and Housing Department
Bombay.

No. RAO/P/I/621 Station. ate. 25/7/55.

Sub.:- Grant of subsidy to the Bombay Housing Board.

Sir,

With reference to Government letter No. HBL.1954/2055 H dt. 30-5-55 on the subject noted above I am to state that the Government in the Finance Department were requested in this office U.O.R. No. RAO/P/I/31 dt. 2-8-1954 (copy enclosed) tá issue instructions to the Bombay Housing Board (i) to calculate subsidy for each tenement from the date of actual occupation (ii) xxx to exclude all the periods of vacancy and (iii) not to claim subsidy cases where full economic rents have been recovered. It would be seen that the Government have issued orders on two points only viz. (i) & (iii). It is requested that instructions may please be issued to the Bombay Housing Board on point (ii) also viz. not to calculate subsidy for the periods of vacancy as no subsidy would be due from Government for the period tenements remain vacant for whatever reasons.

Yours faithfully,

Resident Audit Officer.

P.T.O.

434

No. HBL 1954/33085 H

Rehabilitation, Housing and Backward Classes Department.

Sachivalaya, Bombay 1.

25th August 1955.

To

The Resident Audit Officer,

Bombay Housing Board, Bombay.

Subject :- Grant of subsidy to the Bombay Housin Board.

Sir,

With reference to your letter No. RAO/P/I/621 dated 25/7/55, on the subject mentioned above, I am directed to state that the questions of giving subsidy to the Bombay Housing Board for periods of occupation only and not for vacancy period is still under consideration.

Assistant Secretary to Government,
Rehabilitation, Housing and B.Classes Deptt.

Copy with a copy of letter under reply forwarded to the Secretary, Bombay Housing Board, Bombay for information.

I.D.
18/8/55.

Very Urrent.

No. HBL/1954/37602-F

Rehabilitation, Housing and Backward Classes Department,

Sachivalaya, Bombay 1.

14th October 1955.

To

The Residential Audit Officer,

Bombay Housing Board, Bombay,

(through the F.D.

Subject:- Subsidy to the Bombay Housing Board.

Sir,

I am directed to refer to the correspondence resting with this Department letter No. HBL/1954/33085-H, dt. the 25th August 1955, on the above subject and to state that Govt. has decided to allow subsidy for the periods of vacancy also provide these vacancies occur after first allotment of the tenements.

2/- The Bombay Housing Board's claims for subsidy due to difference b tween economic rents and lower rents charged to industrial Workers and tenants of C.S.S. Bandra and Sion -Dharavi Colonies may therefre be checked accordingly and the final amounts due to be reported to Government very early.

Yours faithfully,

Assistant Secretary to the Government of Bombay,

Rehabilitation Housing and B.Classes Deptt.

Copy forwarded with compliments to :-

The Secretary, Bombay Housing Board, Bombay.

The Finance Department .

for information.

I.D.
6/10/55.

D.
6/6